

107TH CONGRESS
2D SESSION

H. R. 4312

To provide emergency agricultural assistance to producers of the 2002 crop
of certain agricultural commodities.

IN THE HOUSE OF REPRESENTATIVES

APRIL 16, 2002

Mr. HAYES introduced the following bill; which was referred to the Committee
on Agriculture

A BILL

To provide emergency agricultural assistance to producers
of the 2002 crop of certain agricultural commodities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Emergency Agricultural Assistance Act of 2002”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—MARKET LOSS ASSISTANCE

Sec. 101. Market loss assistance.

Sec. 102. Oilseeds.

Sec. 103. Peanuts.

Sec. 104. Honey.
 Sec. 105. Wool and mohair.
 Sec. 106. Cottonseed.
 Sec. 107. Specialty crops.
 Sec. 108. Loan deficiency payments.
 Sec. 109. Payments in lieu of loan deficiency payments for grazed acreage.
 Sec. 110. Milk.
 Sec. 111. Pulse crops.
 Sec. 112. Tobacco.
 Sec. 113. Livestock feed assistance program.
 Sec. 114. Increase in payment limitations regarding loan deficiency payments
 and marketing loan gains.

TITLE II—ADMINISTRATION

Sec. 201. Obligation period.
 Sec. 202. Commodity Credit Corporation.
 Sec. 203. Regulations.

1 **TITLE I—MARKET LOSS** 2 **ASSISTANCE**

3 **SEC. 101. MARKET LOSS ASSISTANCE.**

4 (a) IN GENERAL.—The Secretary of Agriculture (re-
 5 ferred to in this Act as the “Secretary”) shall, to the max-
 6 imum extent practicable, use \$5,603,000,000 of funds of
 7 the Commodity Credit Corporation to make a market loss
 8 assistance payment to owners and producers on a farm
 9 that are eligible for a final payment for fiscal year 2002
 10 under a production flexibility contract for the farm under
 11 the Agricultural Market Transition Act (7 U.S.C. 7201
 12 et seq.).

13 (b) AMOUNT.—The amount of assistance made avail-
 14 able to owners and producers on a farm under this section
 15 shall be proportionate to the amount of the total contract
 16 payments received by the owners and producers for fiscal

1 year 2002 under a production flexibility contract for the
2 farm under the Agricultural Market Transition Act.

3 **SEC. 102. OILSEEDS.**

4 (a) IN GENERAL.—The Secretary shall use
5 \$466,000,000 of funds of the Commodity Credit Corpora-
6 tion to make payments to producers that planted a 2002
7 crop of oilseeds (as defined in section 102 of the Agricul-
8 tural Market Transition Act (7 U.S.C. 7202)).

9 (b) COMPUTATION.—A payment to producers on a
10 farm under this section for an oilseed shall be equal to
11 the product obtained by multiplying—

12 (1) a payment rate determined by the Sec-
13 retary;

14 (2) the acreage determined under subsection
15 (c); and

16 (3) the yield determined under subsection (d).

17 (c) ACREAGE.—

18 (1) IN GENERAL.—Except as provided in para-
19 graph (2), the acreage of the producers on the farm
20 for an oilseed under subsection (b)(2) shall be equal
21 to the number of acres planted to the oilseed by the
22 producers on the farm during the 1999, 2000, or
23 2001 crop year, whichever is greatest, as determined
24 by the Secretary.

1 (2) NEW PRODUCERS.—In the case of pro-
2 ducers on a farm that planted acreage to a type of
3 oilseed during the 2002 crop year but not the 1999,
4 2000, or 2001 crop year, the acreage of the pro-
5 ducers for the type of oilseed under subsection
6 (b)(2) shall be equal to the number of acres planted
7 to the type of oilseed by the producers on the farm
8 during the 2002 crop year, as determined by the
9 Secretary.

10 (d) YIELD.—

11 (1) SOYBEANS.—Except as provided in para-
12 graph (3), in the case of soybeans, the yield of the
13 producers on a farm under subsection (b)(3) shall be
14 equal to the greater of—

15 (A) the average county yield per harvested
16 acre for each of the 1997 through 2001 crop
17 years, excluding the crop year with the greatest
18 yield per harvested acre and the crop year with
19 the lowest yield per harvested acre; or

20 (B) the actual yield of the producers on
21 the farm for the 1999, 2000, or 2001 crop
22 year, as determined by the Secretary.

23 (2) OTHER OILSEEDS.—Except as provided in
24 paragraph (3), in the case of oilseeds other than soy-

1 beans, the yield of the producers on a farm under
2 subsection (b)(3) shall be equal to the greater of—

3 (A) the average national yield per har-
4 vested acre for each of the 1997 through 2001
5 crop years, excluding the crop year with the
6 greatest yield per harvested acre and the crop
7 year with the lowest yield per harvested acre; or

8 (B) the actual yield of the producers on
9 the farm for the 1999, 2000, or 2001 crop
10 year, as determined by the Secretary.

11 (3) NEW PRODUCERS.—In the case of pro-
12 ducers on a farm that planted acreage to a type of
13 an oilseed during the 2002 crop year but not the
14 1999, 2000, or 2001 crop year, the yield of the pro-
15 ducers on a farm under subsection (b)(3) shall be
16 equal to the greater of—

17 (A) the average county yield per harvested
18 acre for each of the 1997 through 2001 crop
19 years, excluding the crop year with the greatest
20 yield per harvested acre and the crop year with
21 the lowest yield per harvested acre; or

22 (B) the actual yield of the producers on
23 the farm for the 2002 crop.

24 (4) DATA SOURCE.—To the maximum extent
25 available, the Secretary shall use data provided by

1 the National Agricultural Statistics Service to carry
2 out this subsection.

3 **SEC. 103. PEANUTS.**

4 (a) IN GENERAL.—The Secretary shall use not more
5 than \$55,000,000 of funds of the Commodity Credit Cor-
6 poration to provide payments to producers of quota pea-
7 nuts or additional peanuts to partially compensate the
8 producers for continuing low commodity prices, and in-
9 creasing costs of production, for the 2002 crop year.

10 (b) AMOUNT.—The amount of a payment made to
11 producers on a farm of quota peanuts or additional pea-
12 nuts under subsection (a) shall be equal to the product
13 obtained by multiplying—

14 (1) the quantity of quota peanuts or additional
15 peanuts produced or considered produced on the
16 farm during the 2002 crop year; and

17 (2) a payment rate equal to—

18 (A) in the case of quota peanuts, \$30.50
19 per ton; and

20 (B) in the case of additional peanuts,
21 \$16.00 per ton.

22 (c) LOSSES.—The Secretary shall use such sums of
23 the Commodity Credit Corporation as are necessary to off-
24 set losses for the 2002 crop of peanuts described in section

1 155(d) of the Agricultural Market Transition Act (7
2 U.S.C. 7271(d)).

3 **SEC. 104. HONEY.**

4 (a) IN GENERAL.—The Secretary shall use
5 \$93,000,000 of funds of the Commodity Credit Corpora-
6 tion to make available recourse loans to producers of the
7 2002 crop of honey on fair and reasonable terms and con-
8 ditions, as determined by the Secretary.

9 (b) LOAN RATE.—The loan rate for a loan under sub-
10 section (a) shall be equal to 85 percent of the average
11 price of honey during the 5-crop year period preceding the
12 2002 crop year, excluding the crop year in which the aver-
13 age price of honey was the highest and the crop year in
14 which the average price of honey was the lowest in the
15 period.

16 (c) TERM OF LOAN.—A loan under this section shall
17 have a term of 9 months beginning on the first day of
18 the first month after the month in which the loan is made.

19 **SEC. 105. WOOL AND MOHAIR.**

20 (a) IN GENERAL.—The Secretary shall use
21 \$10,000,000 of funds of the Commodity Credit Corpora-
22 tion to provide a supplemental payment under section 814
23 of the Agriculture, Rural Development, Food and Drug
24 Administration, and Related Agencies Appropriations Act,
25 2001 (114 Stat. 1549, 1549A–55), to producers of wool,

1 and producers of mohair, for the 2002 marketing year
2 that received a payment under that section.

3 (b) PAYMENT RATE.—The Secretary shall adjust the
4 payment rate specified in that section to reflect the
5 amount made available for payments under this section.

6 **SEC. 106. COTTONSEED.**

7 The Secretary shall use \$100,000,000 of funds of the
8 Commodity Credit Corporation to provide assistance to
9 producers and first-handlers of the 2002 crop of cotton-
10 seed.

11 **SEC. 107. SPECIALTY CROPS.**

12 (a) DEFINITION OF SPECIALTY CROP.—In this sec-
13 tion, the term “specialty crop” means any agricultural
14 commodity, other than wheat, feed grains, oilseeds, cotton,
15 rice, peanuts, or tobacco.

16 (b) GRANTS.—The Secretary shall use \$150,000,000
17 of funds of the Commodity Credit Corporation to make
18 a grant to each State in an amount that represents the
19 proportion that—

20 (1) the value of specialty crop production in the
21 State; bears to

22 (2) the value of specialty crop production in all
23 States.

1 (c) USE.—As a condition of the receipt of a grant
 2 under this section, a State shall agree to use the grant
 3 to support specialty crops.

4 (d) PURCHASES FOR SCHOOL NUTRITION PRO-
 5 GRAMS.—The Secretary shall use not less than
 6 \$55,000,000 of the funds made available under subsection
 7 (a) to purchase agricultural commodities of the type dis-
 8 tributed under section 6(a) of the Richard B. Russell Na-
 9 tional School Lunch Act (42 U.S.C. 1755(a)) for distribu-
 10 tion to schools and service institutions in accordance with
 11 section 6(a) of that Act.

12 **SEC. 108. LOAN DEFICIENCY PAYMENTS.**

13 Section 135 of the Federal Agriculture Improvement
 14 and Reform Act of 1996 (7 U.S.C. 7235) is amended—

15 (1) in subsection (a)(2), by striking “the 2000
 16 crop year” and inserting “each of the 2000 through
 17 2002 crop years”; and

18 (2) by striking subsections (e) and (f) and in-
 19 serting the following:

20 “(e) BENEFICIAL INTEREST.—

21 “(1) IN GENERAL.—A producer shall be eligible
 22 for a payment for a loan commodity under this sec-
 23 tion only if the producer has a beneficial interest in
 24 the loan commodity, as determined by the Secretary.

1 “(2) APPLICATION.—The Secretary shall make
 2 a payment under this section to the producers on a
 3 farm with respect to a quantity of a loan commodity
 4 as of the earlier of—

5 “(A) the date on which the producers on
 6 the farm marketed or otherwise lost beneficial
 7 interest in the loan commodity, as determined
 8 by the Secretary; or

9 “(B) the date the producers on the farm
 10 request the payment.”.

11 **SEC. 109. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAY-**
 12 **MENTS FOR GRAZED ACREAGE.**

13 (a) IN GENERAL.—Subtitle C of title I of the Federal
 14 Agriculture Improvement and Reform Act of 1996 (7
 15 U.S.C. 7231 et seq.) is amended by adding at the end
 16 the following:

17 **“SEC. 138. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAY-**
 18 **MENTS FOR GRAZED ACREAGE.**

19 “(a) IN GENERAL.—For the 2002 crop of wheat,
 20 grain sorghum, barley, and oats, in the case of the pro-
 21 ducers on a farm that would be eligible for a loan defi-
 22 ciency payment under section 135 for wheat, grain sor-
 23 ghum, barley, or oats, but that elects to use acreage plant-
 24 ed to the wheat, grain sorghum, barley, or oats for the
 25 grazing of livestock, the Secretary shall make a payment

1 to the producers on the farm under this section if the pro-
2 ducers on the farm enter into an agreement with the Sec-
3 retary to forgo any other harvesting of the wheat, grain
4 sorghum, barley, or oats on the acreage.

5 “(b) PAYMENT AMOUNT.—The amount of a payment
6 made to the producers on a farm under this section shall
7 be equal to the amount obtained by multiplying—

8 “(1) the loan deficiency payment rate deter-
9 mined under section 135(c) in effect, as of the date
10 of the agreement, for the county in which the farm
11 is located; by

12 “(2) the payment quantity obtained by
13 multiplying—

14 “(A) the quantity of the grazed acreage on
15 the farm with respect to which the producers on
16 the farm elect to forgo harvesting of wheat,
17 grain sorghum, barley, or oats; and

18 “(B) the payment yield for that contract
19 commodity on the farm.

20 “(c) TIME, MANNER, AND AVAILABILITY OF PAY-
21 MENT.—

22 “(1) TIME AND MANNER.—A payment under
23 this section shall be made at the same time and in
24 the same manner as loan deficiency payments are
25 made under section 135.

1 “(2) AVAILABILITY.—The Secretary shall estab-
 2 lish an availability period for the payment author-
 3 ized by this section that is consistent with the avail-
 4 ability period for wheat, grain sorghum, barley, and
 5 oats established by the Secretary for marketing as-
 6 sistance loans authorized by this subtitle.

7 “(d) PROHIBITION ON CROP INSURANCE OR NON-
 8 INSURED CROP ASSISTANCE.—The producers on a farm
 9 shall not be eligible for insurance under the Federal Crop
 10 Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop
 11 assistance under section 196 with respect to a crop of
 12 wheat, grain sorghum, barley, or oats planted on acreage
 13 that the producers on the farm elect, in the agreement
 14 required by subsection (a), to use for the grazing of live-
 15 stock in lieu of any other harvesting of the crop.”.

16 **SEC. 110. MILK.**

17 Section 141 of the Agricultural Market Transition
 18 Act (7 U.S.C. 7251) is amended by striking “May 31,
 19 2002” each place it appears and inserting “December 31,
 20 2002”.

21 **SEC. 111. PULSE CROPS.**

22 (a) IN GENERAL.—The Secretary shall use
 23 \$20,000,000 of funds of the Commodity Credit Corpora-
 24 tion to provide assistance in the form of a market loss
 25 assistance payment to owners and producers on a farm

1 that grow a 2002 crop of dry peas, lentils, or chickpeas
2 (collectively referred to in this section as a “pulse crop”).

3 (b) COMPUTATION.—A payment to owners and pro-
4 ducers on a farm under this section for a pulse crop shall
5 be equal to the product obtained by multiplying—

6 (1) a payment rate determined by the Sec-
7 retary; by

8 (2) the acreage of the producers on the farm
9 for the pulse crop determined under subsection (c).

10 (c) ACREAGE.—

11 (1) IN GENERAL.—The acreage of the pro-
12 ducers on the farm for a pulse crop under subsection
13 (b)(2) shall be equal to the number of acres planted
14 to the pulse crop by the owners and producers on
15 the farm during the 1999, 2000, or 2001 crop year,
16 whichever is greatest.

17 (2) BASIS.—For the purpose of paragraph (1),
18 the number of acres planted to a pulse crop by the
19 owners and producers on the farm for a crop year
20 shall be based on (as determined by the Sec-
21 retary)—

22 (A) the number of acres planted to the
23 pulse crop for the crop year by the owners and
24 producers on the farm, including any acreage
25 that is included in reports that are filed late; or

1 (B) the number of acres planted to the
2 pulse crop for the crop year for the purpose of
3 the Federal crop insurance program established
4 under the Federal Crop Insurance Act (7
5 U.S.C. 1501 et seq.).

6 **SEC. 112. TOBACCO.**

7 (a) PAYMENTS.—The Secretary shall use
8 \$100,000,000 of funds of the Commodity Credit Corpora-
9 tion to provide supplemental payments to owners, control-
10 lers, and growers of tobacco for which a basic quota or
11 allotment is established for the 2002 crop year under part
12 I of subtitle B of title III of the Agricultural Adjustment
13 Act of 1938 (7 U.S.C. 1311 et seq.), as determined by
14 the Secretary.

15 (b) LOAN FORFEITURES.—Notwithstanding sections
16 106 through 106B of the Agricultural Act of 1949 (7
17 U.S.C. 1445 through 1445–2)—

18 (1) a producer-owned cooperative marketing as-
19 sociation may fully settle (without further cost to the
20 Association) a loan made for each of the 2000 and
21 2001 crops of types 21, 22, 23, 35, 36, and 37 of
22 an agricultural commodity under sections 106
23 through 106B of that Act by forfeiting to the Com-
24modity Credit Corporation the agricultural com-

1 commodity covered by the loan regardless of the condi-
2 tion of the commodity;

3 (2) any losses to the Commodity Credit Cor-
4 poration as a result of paragraph (1)—

5 (A) shall not be charged to the Account (as
6 defined in section 106B(a) of that Act); and

7 (B) shall not affect the amount of any as-
8 sessment imposed against the commodity under
9 sections 106 through 106B of that Act; and

10 (3) the commodity forfeited pursuant to this
11 subsection—

12 (A) shall not be counted for the purposes
13 of any determination for any year pursuant to
14 section 319 of the Agricultural Adjustment Act
15 of 1938 (7 U.S.C. 1314e); and

16 (B) may be disposed of in a manner deter-
17 mined by the Secretary of Agriculture, except
18 that the commodity may not be sold for use in
19 the United States for human consumption.

20 **SEC. 113. LIVESTOCK FEED ASSISTANCE PROGRAM.**

21 The Secretary shall use \$500,000,000 of funds of the
22 Commodity Credit Corporation to provide livestock feed
23 assistance to livestock producers affected by disasters dur-
24 ing calendar year 2001 or 2002.

1 **SEC. 114. INCREASE IN PAYMENT LIMITATIONS REGARDING**
2 **LOAN DEFICIENCY PAYMENTS AND MAR-**
3 **KETING LOAN GAINS.**

4 Notwithstanding section 1001(2) of the Food Secu-
5 rity Act of 1985 (7 U.S.C. 1308(1)), the total amount of
6 the payments specified in section 1001(3) of that Act that
7 a person shall be entitled to receive for one or more con-
8 tract commodities and oilseeds under the Agricultural
9 Market Transition Act (7 U.S.C. 7201 et seq.) during the
10 2002 crop year may not exceed \$150,000.

11 **TITLE II—ADMINISTRATION**

12 **SEC. 201. OBLIGATION PERIOD.**

13 The Secretary and the Commodity Credit Corpora-
14 tion shall obligate funds only during fiscal year 2002 to
15 carry out this Act and the amendments made by this Act
16 (other than sections 106, 107, and 110).

17 **SEC. 202. COMMODITY CREDIT CORPORATION.**

18 Except as otherwise provided in this Act, the Sec-
19 retary shall use the funds, facilities, and authorities of the
20 Commodity Credit Corporation to carry out this Act.

21 **SEC. 203. REGULATIONS.**

22 (a) IN GENERAL.—The Secretary may promulgate
23 such regulations as are necessary to implement this Act
24 and the amendments made by this Act.

1 (b) PROCEDURE.—The promulgation of the regula-
2 tions and administration of the amendments made by this
3 Act shall be made without regard to—

4 (1) the notice and comment provisions of sec-
5 tion 553 of title 5, United States Code;

6 (2) the Statement of Policy of the Secretary of
7 Agriculture effective July 24, 1971 (36 Fed. Reg.
8 13804), relating to notices of proposed rulemaking
9 and public participation in rulemaking; and

10 (3) chapter 35 of title 44, United States Code
11 (commonly known as the “Paperwork Reduction
12 Act”).

13 (c) CONGRESSIONAL REVIEW OF AGENCY RULE-
14 MAKING.—In carrying out this section, the Secretary shall
15 use the authority provided under section 808 of title 5,
16 United States Code.

○